

**Press Release**

**27<sup>th</sup> May 2021**

**Suryoday SFB reports FY 21 PAT at Rs 11.9 Cr**  
**Gross Loan Portfolio grows 13% YoY to Rs 4,206 Cr**  
**Deposits growth at 14% YoY to Rs 3,256 Cr**

**Navi Mumbai, May 27, 2021:**

The Board of Directors of Suryoday Small Finance Bank Limited at its meeting held today, approved the audited financial results for the quarter and full year ended March 31, 2021.

**Business Highlights:**

- The gross loan portfolio of the Bank, for the period ended 31 March 2021 stood at Rs 4,206 Cr, the gross loan portfolio registered a growth of 13% compared to the corresponding quarter of the previous year and 8% compared to the previous quarter, amidst the turbulent times.
- The Bank registered highest ever quarterly disbursements of Rs 1,058 Cr for the quarter ended 31 March 2021, a growth of 36% compared to the corresponding quarter of the previous year and 35% compared to the previous quarter. The disbursements for the year ended 31 March 2021 fell 28% to Rs 2,217 Cr, compared to the previous year.
- Disbursements under the ECLGS scheme for the year ended 31 March 2021 stood at Rs 95.2 Cr, of which Rs 74.6 Cr is in the inclusive finance business segment.
- The deposits for the period ended 31 March 2021 stood at Rs 3,256 Cr, the deposits registered a growth of 14% compared to the corresponding quarter of the previous year but fell 3% compared to the previous quarter.
- The share of retail deposits, improved to 80% for the period ended 31 March 2021, compared to 54% for the corresponding quarter of the previous year and 72% for the previous quarter.
- The CASA ratio for the period ended 31 March 2021, stood at 15.4%, compared to 11.4% for the corresponding quarter of the previous year and 13.3% for the previous quarter. The share of non-callable bulk deposits stands at ~91%, of the overall bulk deposits for the period ended 31 March 2021.
- Collection efficiency on an overall basis was at 121% for the month of March 2021, while the same stood at 87% on one-EMI adjusted collection efficiency. The collection efficiency in April 21 is at 100% on an overall basis and 82% on One-EMI adjusted basis.
- As of 31 March 2021, total count of banking outlets was 556, of which liability focussed outlets were 96. Total employee count stood at 5,131 as on 31 March 2021.

**Financial highlights for the quarter ended 31 March 2021:**

- Net interest income for the quarter ended 31 March 2021 stood at Rs 151.8 Cr, a decline of 25% compared to the corresponding quarter of the previous year and 25% compared to the previous quarter, majorly impacted by interest reversal for the entire year of Rs 65.8 Cr effected in the quarter on account of NPA recognition post Supreme Court Judgement on 23 March 2021.
- Other income for the quarter ended 31 March 2021 stood at Rs 34.6 Cr, a growth of 42% compared to the corresponding quarter of the previous year and 45% compared to the previous quarter, led by PSLC income of Rs 15.0 Cr during the quarter.
- Net total income for the quarter ended 31 March 2021 stood at Rs 91.8 Cr, a decline of 40% compared to the corresponding quarter of the previous year and 31% compared to the previous quarter.
- Operating expenses for the quarter ended 31 March 2021 stood at Rs 97.0 Cr, a rise of 16% compared to the corresponding quarter of the previous year and 5% compared to the previous quarter.
- Loss for the quarter ended 31 March 2021 stood at Rs 43.0 Cr, compared to a loss of Rs 15.5 Cr in the corresponding quarter of the previous year and profit of Rs 1.1 Cr compared to the previous quarter.
- The RoA/ RoE for the quarter ended 31 March 2021 stood at (2.6%) / (12.3%), compared to a RoA/ RoE of (1.2%)/ (5.8%) in the corresponding quarter of the previous year and a RoA/ RoE of 0.1%/ 0.4% compared to the previous quarter.

**Highlights for the Year ended March 31, 2021:**

- The net total income declined 12% YoY to Rs 510.0 Cr for the year ended 31 March 2021, impacted by interest reversal of Rs 74.2 Cr on account of NPA recognition and increase in interest expense by Rs. 89.5 Crore for the year ended 31 March 2021.
- The other income grew 14% YoY to Rs 99.5 Cr for the year ended 31 March 2021, led by PSLC income of Rs 36.2 Cr and a profit on sale of investments of Rs 25.5 Cr.
- Net total income declined 12% YoY to Rs 510.0 Cr.
- The operating expenses grew 21% YoY to Rs 328.6 Cr for the year ended 31 March 2021, led by growth of 42%YoY growth in other operating expenses to Rs 142.8 Cr. Operating profit was down 41% YoY to Rs 181.3 Cr.
- Total provision for the year ended 31 March 2021 increased by 11.4% to Rs. 169.2 crore compared to Rs. 151.9 Crore for the year ended 31 March 2020. Provision for the current year includes MTM loss provision on investment portfolio of Rs. 19.0 Crore. MTM provision was made in the quarter ended 31 March 2021 impacting profit for quarter as well as for the year.
- PAT for the year ending 31 March 2021 was Rs 11.9 Cr in FY21, down 89% YoY.

- The RoA/RoE for the year ended 31 March 2021 stood at 0.2%/1.0%, compared to 2.5%/11.2% for the year ending 31 March 2020.

### Asset Quality and Capital

- As on 31 March 2021, GNPA was 9.4% (Rs 393.7 Cr) higher by 13 bps as compared to the pro-forma GNPA as on 31 December 2020. During the year ended 31 March 2021, the Bank has written-off Rs 96.9 Cr compared to Rs. 63.4 Cr in the year ended 31 March 2020.
- Net NPA as on 31 March 2021 was 4.7% (Rs 188.1 Cr) down 65 bps compared to pro-forma Net NPA of 5.4% reported on 31 December 2020 and Net NPA of 0.6% as on 31 March 2020.
- The Bank made additional floating provision of 1.5% on standard micro finance portfolio amounting to Rs. 37.5 Crore for the quarter ended 31 March 2021. Total unutilised floating provision is 3.5% of standard micro finance portfolio amount to Rs. 91.3 crore at year end.
- The Bank fully utilised COVID provision of Rs. 140.7 crore in the quarter ended 31 March 2021 including COVID provision of Rs. 66.0 crore made in the year ended 31 March 2020.
- Provision coverage ratio as on 31 March 2021 (including technical write-offs) stands at 63.7%, compared to 56.0% as at 31 December 2020 (for pro-forma NPA) and 84.7% as at 31 March 2020.
- The Bank restructured portfolio worth Rs 136.2 Cr, in the year ended 31 March 2021 representing 3.3% of advances out of which 2.7% pertains to standard accounts and 0.6% pertains to NPA accounts.
- CRAR as of 31 March 2021 stands at 51.5%, of which the tier-1 capital stands at 47.2%. The risk weighted assets as of 31 March 2021 stands at Rs 3,199 Cr.

### Performance Highlights:

Income Statement	Q4 FY21	Q3 FY21	QoQ	Q4 FY20	YoY	FY21	FY20	YoY
Interest Earned	151.8	203.6	-25%	203.5	-25%	776.1	766.7	1%
Interest Expended	94.6	93.9	1%	73.7	28%	365.7	276.2	32%
NET INTEREST INCOME	57.2	109.6	-48%	129.8	-56%	410.5	490.5	-16%
Other Income	34.6	23.8	45%	24.3	42%	99.5	87.5	14%
NET TOTAL INCOME	91.8	133.4	-31%	154.1	-40%	510.0	578.0	-12%
Operating Expenses	97.0	92.4	5%	83.7	16%	328.6	272.1	21%
Employee Expense	52.3	47.4	10%	50.2	4%	185.8	171.4	8%
Other Expense	44.7	44.9	0%	33.5	33%	142.8	100.8	42%

<b>OPERATING PROFIT</b>	<b>-5.2</b>	<b>41.0</b>	<b>nm</b>	<b>70.3</b>	<b>nm</b>	<b>181.3</b>	<b>305.8</b>	<b>-41%</b>
Provisions and Contingencies	52.7	39.6	33%	94.3	-44%	169.2	151.9	11%
<b>NET Profit Before Tax</b>	<b>-58.0</b>	<b>1.4</b>	<b>nm</b>	<b>-24.0</b>	<b>nm</b>	<b>12.1</b>	<b>154.0</b>	<b>-92%</b>
Tax	-15.0	0.4	nm	-8.5	nm	0.2	43.0	-99%
<b>Profit After Tax</b>	<b>-43.0</b>	<b>1.1</b>	<b>nm</b>	<b>-15.5</b>	<b>nm</b>	<b>11.9</b>	<b>110.9</b>	<b>-89%</b>

<b>Gross Loan Portfolio</b>	<b>4,206</b>	<b>3,908</b>	<b>8%</b>	<b>3,711</b>	<b>13%</b>	<b>4,206</b>	<b>3,711</b>	<b>13%</b>
<b>Disbursements</b>	<b>1,058</b>	<b>785</b>	<b>35%</b>	<b>777</b>	<b>4%</b>	<b>2,217</b>	<b>3,090</b>	<b>28%</b>
<b>Deposits</b>	<b>3,256</b>	<b>3,344</b>	<b>-3%</b>	<b>2,849</b>	<b>4%</b>	<b>3,256</b>	<b>2,849</b>	<b>14%</b>

Key ratios	Q4 FY21	Q3 FY21	QoQ	Q4 FY20	YoY	FY21	FY -20	YoY
<b>Yield on Gross Loan Portfolio</b>	12.1%	18.6%	-645 bps	21.2%	-904 bps	17.8%	21.9%	-408 bps
<b>Cost of Funds</b>	7.8%	8.0%	-20 bps	7.9%	-11 bps	8.0%	8.6%	-59 bps
<b>NIM</b>	3.7%	7.4%	-372 bps	10.8%	-714 bps	7.1%	11.7%	-461 bps
<b>Cost of Deposits</b>	7.4%	7.7%	-32 bps	7.9%	-52 bps	7.7%	8.3%	-57 bps
<b>Cost to Income</b>	105.7%	69.2%	3646 bps	54.4%	5134 bps	64.4%	47.1%	1736 bps
<b>Retail Deposit to Total Deposit</b>	80.0%	72.4%	760 bps	54.4%	2556 bps	80.0%	54.4%	2556 bps
<b>CASA Ratio</b>	15.4%	13.3%	213 bps	11.4%	400 bps	15.4%	11.4%	400 bps
<b>Total Capital Adequacy Ratio (As a % of CRWA)</b>	51.5%	41.2%	1029 bps	35.4%	1602 bps	51.5%	35.4%	1602 bps
<b>Tier I</b>	47.2%	36.9%	1029 bps	34.3%	1293 bps	47.2%	34.3%	1293 bps
<b>GNPA Ratio</b>	9.4%	9.3%	13 bps	2.79%	661 bps	9.4%	2.8%	661 bps
<b>NNPA Ratio</b>	4.7%	5.4%	-65 bps	0.57%	416 bps	4.7%	0.6%	416 bps
<b>Provision coverage Ratio (Inc. Technical Write-offs)</b>	63.7%	56.0%	770 bps	84.7%	-2098 bps	63.7%	84.7%	-2098 bps
<b>ROAA</b>	-2.6%	0.1%	nm	-1.2%	nm	0.2%	2.5%	-233 bps
<b>ROAE</b>	-12.3%	0.4%	nm	-5.8%	nm	1.0%	11.2%	-1027 bps
<b>Book Value Per Share (Rs)</b>	150.4	133.5	13%	123.1	22%	150.4	123.1	22%

**Mr. Baskar Babu, MD & CEO, Suryoday Small Finance Bank,** Post the end of the first wave of pandemic, business activity across states started moving towards normalcy, which is reflected in our highest ever quarterly disbursement of Rs 1,058 Cr in Q4 FY21. The Bank has consistently

seen an increase in its collection efficiency on month-on-month till Mar-21, with overall Collection efficiency of 121% in the month of Mar-21.

However, with advent of the second wave of the covid, towards the fag end of the quarter and imposition of the lockdowns across multiple states, the business activity again came to halt in a very short span of time. With the pause on business activity across states, we expect the collection efficiency to remain volatile in the near term.

However, the number of fresh covid cases, in the country are towards a decline now. Additionally, the situation in our key operating states i.e. Maharashtra, Tamil Nadu and Odisha has seen a consistent improvement with lower fresh cases. At these testing times, the Bank's focus continues to remain to safeguard its customers and employees. The Bank also offered regulatory support to the select group of customers via the ECLGS scheme and selected restructuring in its portfolio.

Considering that the impact of COVID-19 is not yet completely understood, we believe that business should return to normalcy as soon as COVID cases start declining to a manageable number and the inoculation drive by the GOI is reasonably executed.

The Bank, with its strong balance sheet, one of the highest capital adequacy with higher liquidity is in a strong footing to sail through these testing times.

#### **About Suryoday Small Finance Bank Limited:**

Suryoday Small Finance Bank Limited is a scheduled commercial bank. Commencing its operations as an NBFC and for over a decade with a clear focus on serving customers in the unbanked and underbanked segments and promoting financial inclusion. Pursuant to receipt of the RBI Final Approval, Suryoday started its operations as an SFB on January 23, 2017.

Suryoday is among the leading SFBs in India in terms of net interest margins, return on assets, yields and deposit growth and had the lowest cost-to-income ratio among SFBs in India in Fiscal 2020. The bank has a wide presence across 13 states and UTs across India through its 556 banking outlets, with a strong presence in Maharashtra, Tamilnadu and Odisha. We offer a wide array of services to our customers, through our wide array of asset and liability products, through our multiple delivery channels.

Suryoday SFB is listed on NSE and BSE. For more details, please visit, [www.suryodaybank.com](http://www.suryodaybank.com)

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